



DISASTER NEWS

Economic Injury Loans for Small Businesses

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Disaster Assistance Available for Small Businesses

Sacramento, CA – Small, non-farm businesses in 32 South Dakota counties (plus neighboring counties in Minnesota, Nebraska and North Dakota) may now apply for low-interest disaster loans from the U. S. Small Business Administration (SBA). These disaster loans offset economic losses because of reduced revenues to farmers and ranchers caused by the combined effects of late spring killing frost, extreme heat, high winds, hail, insect damage, insufficient soil moisture, prairie fires caused by dry lightning and ongoing drought in the following 10 primary South Dakota counties beginning January 1, 2006, announced Alfred E. Judd, Director of SBA's Disaster Field Operations Center - West.

Primary South Dakota counties:

Brookings	Brown	Charles Mix	Davison	Grant
Gregory	Hamlin	Hanson	Kingsbury	Miner

Neighboring South Dakota counties:

Aurora	Beadle	Bon Homme	Brule	Clark
Codington	Day	Deuel	Douglas	Edmunds
Faulk	Hutchinson	Lake	Lyman	Marshall
McCook	McPherson	Moody	Roberts	Sanborn
Spink	Tripp			

Neighboring **Minnesota** counties: Big Stone, Lac Qui Parle, Lincoln and Pipestone;

Neighboring **Nebraska** counties: Boyd, Keya Paha and Knox;

Neighboring **North Dakota** counties: Dickey and Sargent.

Small businesses may qualify for Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred. "Eligibility for these working capital loans is based on the financial impact of the disaster only and not on any actual property damage. These loans have an interest rate of 4%, a maximum term of 30 years, and are restricted to small businesses without the financial ability to offset the adverse impact without hardship," Judd said.

By law, SBA makes EIDLs available when the U. S. Secretary of Agriculture designates an agricultural disaster. Secretary Mike Johanns declared this disaster at the request of Governor Mike Rounds.

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency (FSA) about the U. S. Department of Agriculture (USDA) assistance made available by the Secretary's declaration. However, in drought disasters nurseries are eligible for SBA disaster assistance.

For information and application forms, call toll-free (800) 659-2955, or visit SBA's website at www.sba.gov/disaster. Hearing impaired individuals may call (800) 877-8339.

The deadline to apply for these loans is **May 14, 2007**.

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